

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



FISCAL NOTE

HB 2954 - SB 3595

February 5, 2010

SUMMARY OF BILL: Requires local boards of education to develop a senior short day program for high school seniors who have met all graduation requirements except for three or fewer classes. Seniors in this program will be allowed to attend only the classes needed for graduation and will not be required to remain on school grounds for the entire school day. Requires local boards of education to submit its proposed plan to the Department of Education, prior to its implementation, for approval. If approved, the program will begin in the fall of school year 2011-12.

ESTIMATED FISCAL IMPACT:

Decrease State Expenditures - \$3,800,000

Decrease Local Revenue - \$3,800,000

Increase Local Expenditures - \$3,800,000*

Assumptions:

- The Basic Education Program (BEP) generates approximately \$3,800 per average daily membership (ADM). Of that, approximately \$3,800 is state funded and approximately \$1,900 is local BEP match.
- A conservative estimate of 1,000 ADM will participate statewide.
- Participating students will be counted for a half-day ADM instead of a full ADM, therefore state BEP funding and local match will decrease.
- State BEP funding will decrease by approximately \$3,800,000 (\$3,800 x 1,000).
- LEAs will still pay for teachers, administration, and other on-going expenditures. Though the required BEP local match will decrease, LEAs will not decrease expenditures because of statutory maintenance of effort requirements and the need to fund on-going expenditures.
- LEAs will have a decrease in revenue of approximately \$3,800,000 in state BEP monies. LEAs will increase expenditures in an amount equal to the decrease in revenue. Local expenditures will increase approximately \$3,800,000.
- LEAs may also incur costs to set-up senior short-day programs. Any increase in expenditures for this purpose is estimated to be not significant.

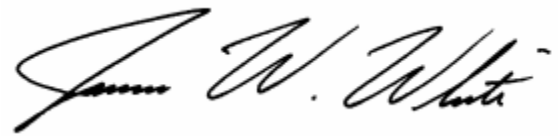
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- No increase in state expenditures.

**Article II, Section 24 of the Tennessee Constitution provides that: no law of general application shall impose increased expenditure requirements on cities or counties unless the General Assembly shall provide that the state share in the cost.*

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White". The signature is fluid and cursive, with the first name "James" written in a more compact, stylized script, followed by "W." and "White" in a more legible but still cursive style.

James W. White, Executive Director

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